

ALGERIA BRITISH BUSINESS COUNC

CHAIRMAN: Lady Olga Maitland (olga.maitland@abbc.org.uk) DEPUTY CHAIRMAN: Yassine Bouhara PRESIDENT ALGERIA: Arslan Chikhaoui CEO / COUNTRY MANAGER ALGERIA: Maya Boumedine (maya.boumedine@abbc.org.uk)



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ABBC Monthly Business Environment Round-Up

March 2023

President Tebboune carries out partial ministerial reshuffle

In mid-March 2023, President Abdelmadjid Tebboune announced a new ministerial reshuffle. This was the seventh government reshuffle since President Tebboune took office and the fourth under Prime Minister Aymane Benabderrahmane. It was also relatively comprehensive and saw the replacement of a number of ministers in key roles, such as the Minister of Foreign Affairs and the Minister of Finance. The full list of changes was as follows:

- Ahmed Attaf replaced Ramtane Lamamra as Minister of Foreign Affairs and the National Community
 Abroad
- Tayeb Zitouni replaced Kamel Rezig as Minister of Trade and Export Promotion
- Abdelaziz Fayed replaced Djamel Ibrahim Kassali as Minister of Finance
- Meriem Benmiloud replaced Hocine Cherhabil as Minister of Digitisation and Statistics
- Youcef Chorfa replaced Kamel Beldjoud as Minister of Transport
- Fayçal Bentaleb replaced Youcef Chorfa as Minister of Labour, Employment and Social Security
- Mokhtar Didouche replaced Yacine Hammadi as Minister of Tourism and Handicrafts
- Faiza Dahleb replaced Samia Moualfi as Minister of the Environment and Renewable Energies
- Ahmed Bidani replaced Hicham Salaouatchi as Minister of Fisheries and Halieutic Productions
- Abderrahmane Hammad replaced Abderrazak Sebgag as Minister of Youth and Sports

In addition, the following ministries were created or restructured:

- The Ministries of Pharmaceutical Production and Industry were merged, with Ali Aoun at the helm. After serving as Minister of Pharmaceutical Production, he is now Minister of Industry and Pharmaceutical Production. Ahmed Zaghdar, who previously held the position of Minister of Industry, has left the government
- The Ministry of Water Resources was created, with Tahar Djerbal as its head. Meanwhile, Lakhdar Rekhroukh, who previously held the position of Minister of Public Works, Hydraulics and Basic Infrastructure, is now Minister of Public Works and Basic Infrastructure

Signs of thaw on import freeze continue to mount...

In the trade sector, there were multiple indications during the month of March that the years-long freeze on imports may be continuing to thaw. Earlier in the year, President Tebboune had indicated that his directives to protect domestic manufacturing should not be misinterpreted and noted that imports are necessary for the economy to function. In mid-March, the new Minister of Commerce, Tayeb Zitouni, held a meeting during which he issued a series of instructions to 'release goods and equipment intended for factories and being held at ports, specifically those that have import licenses'. He also ordered his department to 'assist economic operators in retrieving their goods and not to obstruct them as well as simplifying administrative procedures for economic operators'.

A few days later, Zitouni issued new instructions in relation to imports. During a visit to the headquarters of the National Agency for the Promotion of Foreign Trade (ALGEX), Zitouni stressed the need to 'accelerate the processing of pending dossiers and facilitate imports of products that are not manufactured locally and to free up imports of goods and products for which local manufacturing capacity does not meet domestic demand'. The introduction of the compulsory ALGEX certificate for imports in 2022 is thought to have contributed to the slowdown of imports during the year. It is hoped that clearing the backlog will enable companies to import goods more easily.

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... and Fiat kicks off car imports after long hiatus

Also in mid-March, the Italian brand Fiat kicked off sales of six models of vehicle including three passenger cars, becoming the first automaker to sell cars in Algeria since the closure of the country's assembly plants in 2019. While the first cars to be sold by Fiat in Algeria were imported, the group also announced plans to invest more than 200mn EUR in a new plant to produce four models of vehicle. The first vehicles are set to roll off the production lines by the end of 2023.

Following the launch of Fiat Algérie, other automakers are also gearing up to deploy in Algeria. In early March, the Minister of Industry confirmed that the private Algerian-Turkish company Emin Auto had been authorised to open a dealership for the Chinese brand JAC and the private company Halil Commerce & Industrie has been awarded a permit to open a dealership for Germany's Opel. Meanwhile 35 other preliminary permits have been granted and 11 definitive import permits are expected to be granted in the near future.

In other manufacturing news, Renault Algérie has also revealed plans to restart production at its plant in Oran. The first Algerian-made Renault are expected to be produced during 2024. Once the company has officially announced the start of vehicle manufacturing, it will also file its application for an import permit.

International tourism drive gathers pace with new visa measures

As authorities in Algeria move to encourage tourism and make the most of the country's natural resources, they passed new regulations in March to facilitate travel for international visitors. In late 2022, the Ministry of the Interior had announced new measures that would enable tourists arriving in a small number of southern wilayas to obtain a visa on arrival rather than having to apply for a visa in advance. In March, this scheme was rolled out to a total of 24 wilayas in the south of the country. To obtain the 30-day tourist visa, foreign visitors must travel to Algeria via an approved travel agency.

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